



THE FEDERAL ELECTION COMMISSION
Washington, DC 20463

MEMORANDUM

TO: The Commission

FROM: Daniel A. Petalas
Associate General Counsel for Enforcement

BY: William A. Powers *WAP*
Assistant General Counsel

Christine C. Gallagher *ccg*
Attorney

SUBJECT: MUR 6469 (Friends of Sharron Angle)
Pre-Probable Cause Conciliation

I. INTRODUCTION

Attached is a proposed conciliation agreement for Friends of Sharron Angle and Robert Fee in his official capacity as treasurer (the "Committee"), signed by Respondent's counsel. Attach. 1. This agreement would settle the Committee's violation of 2 U.S.C. § 434(b) for numerous reporting errors in its 2009 Year-End and 2010 April Quarterly Reports.

Accordingly, we recommend that the Commission accept the conciliation agreement and close the file.

II. BACKGROUND

On April 26, 2011, the Commission found reason to believe that the Committee violated 2 U.S.C. § 434(b) by failing to disclose \$272,726.87 in operating expenditures, \$137,621.79 in debts and obligations, and misreporting \$105,644.57 in other disbursements in its originally filed 2009 Year-End Report; and for failing to disclose \$270,352.28 in operating expenditures and \$167,207.96 in debts and obligations in its originally filed 2010 April Quarterly Report. The Commission authorized entering into pre-probable cause conciliation,

On April 1, 2011, before the reason-to-believe finding in this matter, the Commission approved an audit of the Committee's 2010 election cycle under 2 U.S.C. § 438(b).

In December 2012, in the proceedings concerning the audit, the Commission found reason to believe that the Committee violated 2 U.S.C. § 434(a) and approved the recommendation of the Final Audit Report to refer that violation to the Administrative Fine Program, preliminarily calculating an administrative fine amount of \$25,725. See AF #2605 Cert. (Dec. 18, 2012).

In January 2013 the Committee was notified of the referral to the Administrative Fine Program and the amount of the administrative fine it owed.

On February 4, 2013, the Committee paid \$25,725 to resolve the administrative fine. On March 4, the Commission voted to close the Administrative Fine file. See AF #2605 Cert. (Apr. 1, 2013).³

During the intervening period, the Committee continued to work with the Reports Analysis Division ("RAD") to bring its reports into compliance so that it may terminate. As to its stated desire to terminate, we advised counsel that this Office would not object to the request based on the open MUR, but that the decision whether to permit termination ultimately was not ours. See June 24 Letter.⁴

As a result of those efforts, the Committee filed a request to terminate on July 30, 2013, approval of which was granted on November 14, 2013.

III. DISCUSSION

³ Because two Commissioners previously recused themselves and another departed from the agency, since late January 2013 the Commission has lacked a quorum to vote on any proposed settlement of MUR 6469. We have informed counsel that the Commission will not be in a position to vote on any recommended conciliation until its quorum is restored. See E-mail from Christine C. Gallagher, Attorney, FEC to Cleta Mitchell, Esq. (Jun. 24, 2013) ("June 24 Letter").

⁴ Before we advised the Committee of this, RAD confirmed for our office that the Committee had successfully amended its reports concerning its cash-on-hand discrepancy and that RAD had informed the Committee about any other appropriate amendments that it could file.

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Thus,
we recommend that the Commission accept the attached conciliation agreement and close the
file.

IV. RECOMMENDATIONS:

1. Accept the attached Signed Conciliation Agreement with Friends of Sharron Angle and Robert Fee, in his official capacity as treasurer.
2. Approve the appropriate letter.
3. Close the file.

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